

No Action Alternative. CEQ regulations require that an agency “include the alternative of no action” as one of the alternatives it considers (40 CFR 1502.14[d]). In the context of this EIS, “no action” means that TEP’s proposed transmission line is not built. For DOE and the cooperating agencies, “no action” would be achieved by any one of the Federal agencies declining to grant TEP permission to build in the agency’s respective jurisdiction. Thus, in the case of DOE, “no action” means denying the Presidential Permit; for USFS, “no action” means denying the special use permit; for BLM, “no action” means denying access to BLM-managed Federal lands; and for USIBWC, “no action” means not approving construction plans. Each agency makes its own decision independently, so that it is possible that one or more agencies could grant permission for the proposal while another could deny permission. Thus, if any agency denied permission for the proposed transmission line, it would not be built.

APPLICANT’S PURPOSE AND NEED

TEP has provided the following purpose and need for the proposed project:

TEP believes that the proposed project would have the potential to benefit both southern Arizona and northern Mexico with regard to the availability of electric power. TEP is responding to the need to improve transmission of electric power into the southern Arizona region and to assist Citizens (Communications Company) in meeting an ACC mandate that Citizens build a second transmission line to serve its customers in Santa Cruz County by December 31, 2003 (ACC Decision No. 62011). Citizens is a community-based telecommunications provider serving nearly one million customers across the nation.

TEP signed a contractual agreement with Citizens to assist in responding to the ACC mandate that Citizens build a second transmission line to serve its customers in Santa Cruz County. Following this, TEP and Citizens applied jointly to the ACC for a Certificate of Environmental Compatibility (CEC) on March 1, 2001. On January 15, 2002, the ACC granted a CEC to TEP and Citizens to construct the proposed project in the Western Corridor, in accordance with listed mitigation provisions (ACC Decision No. 64356). TEP and Citizens will, if necessary, return to the ACC to request an extension of the original December 2003 in-service deadline. If TEP and Citizens do not meet the deadline, and the ACC does not grant an extension, TEP and Citizens would be in violation of an ACC order, and there may be monetary penalties associated with violating that order.

While each circuit is thermally capable of transmitting 1,000 MW, the double circuit system has been designed and would be operated to transmit 500 MW total, for operational and reliability considerations. TEP reached agreement with Citizens to provide up to 100 MW of transmission capacity from Tucson to Nogales, Arizona. This would allow Citizens to improve reliability of electric service to its customers in Santa Cruz County. The proposed TEP 345-kV transmission line would provide a redundant path for the energy that is currently transmitted over the Citizens 115-kV transmission line from Tucson to Nogales, Arizona. Citizens committed to the purchase of 100 MW of transmission capacity from TEP to allow for future load growth above Citizen’s current Santa Cruz County load of approximately 65 MW. Once TEP’s proposed 345-kV transmission line is in-service, Citizens would be able to make some needed upgrades to its existing 115-kV transmission line that would allow it to achieve a capacity of 100 MW, thus allowing either line to serve Citizens’ load for the foreseeable future.

TEP anticipates using the remaining 400 MW of capability for transport of energy between the United States and Mexico. Typically an electricity producer like TEP generates and sells its own electricity using its own transmission system. However, if DOE should decide to grant a Presidential Permit to TEP, it would include a condition in the permit requiring TEP to provide non-discriminatory open access transmission service on the subject international facilities. Open

access is a regulatory policy which requires transmission owners to make their transmission facilities available for the transmission of electric energy by third parties. Therefore, while the TEP international facilities could be utilized for potential future electricity exports to Mexico, the source of those future electric energy exports might not necessarily be TEP.

TEP would initially use the two proposed fiber optic cables contained within the two neutral ground wires for supervision and operation of the transmission line and connected substations.

FEDERAL AGENCIES' PURPOSE AND NEED AND AUTHORIZING ACTIONS

TEP needs approvals from DOE, USFS, BLM, USIBWC, and other Federal, state, and local agencies to implement various aspects of the proposed project. Because DOE, USFS, BLM, and USIBWC must all act and, because their actions are interrelated, they have agreed to cooperate in preparing this EIS. The Final EIS will be used by DOE and cooperating agency officials to ensure that they have the information needed for purposes of informed decisionmaking. The decisions themselves are issued subsequent to the Final EIS, in the form of a ROD, or a letter of concurrence in the case of USIBWC.

DOE. The purpose and need for DOE action is to determine whether it is in the public interest to grant or deny a Presidential Permit to TEP for the construction, operation, maintenance, and connection of the proposed 345-kV transmission line that would cross the U.S. international border. Notice of receipt of the Application for a Presidential Permit was published in the *Federal Register* (FR) on September 20, 2000 (65 FR 56875). DOE's action is in response to the applicant's request for a Presidential Permit. Like all Federal agencies, DOE must comply with NEPA and, in this instance, has agreed to be the lead Federal agency for NEPA compliance.

In determining whether a proposed action is in the public interest, DOE considers the impact of the proposed project on the environment and on the reliability of the U.S. electric power supply system. DOE also must obtain the concurrence of the Departments of State and Defense before it may grant a Presidential Permit. If DOE determines that granting a Presidential Permit is in the public interest, the information contained in the EIS will provide a basis upon which DOE decides which alternative(s) and mitigation measures are appropriate for inclusion as conditions of the permit. In a process that is separate from NEPA, DOE will determine whether the proposed project will adversely impact the reliability of the U.S. electric system. Also, before authorizing exports to Mexico over the proposed 345-kV facilities, DOE must ensure that the export will not impair sufficiency of supply within the United States and will not impede, or tend to impede, the coordinated use of the regional transmission system. Issuance of a Presidential Permit only indicates that DOE has no objection to the project, but does not mandate that the project be completed.

USFS. USFS has provided its purpose and need as follows:

The purpose and need for USFS action is to determine whether the proposed 345-kV transmission line development is appropriate within the Tumacacori Ecosystem Management Area (EMA) of the Coronado National Forest, and thus whether to issue a special use permit. If line development is appropriate, USFS would work with TEP to decide the site-specific location for the line and support structures, mitigation measures and best management practices to be implemented to reduce environmental effects, permit issuance terms and conditions, and pre- and post-construction reporting and monitoring.

USFS has received from TEP an application to cross certain Federal lands managed by USFS with a 345-kV transmission line. The NEPA analysis (EIS) must be adequate for use by the Forest Supervisor in issuing a special use permit for the project. The *Federal Land Policy and Management Act* of 1976 (FLPMA) is the appropriate authority for the authorization (FSM